

233 South 13th Street, Suite 1100
Lincoln, Nebraska 68508
Phone: (402) 474-1555
Fax: (402) 474-2946
www.nebankers.org



January 30, 2004

Jennifer J. Johnson, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue NW
Washington, D.C. 20551
E-mail: regs.comments@federalreserve.gov

RE: New Clear and Conspicuous Requirements for Disclosures
Regulation Z; Docket No. R-1167
Regulation B; Docket No. R-1168
Regulation E; Docket No. R-1169
Regulation M; Docket No. R-1170
Regulation DD; Docket No. R-1171

Dear Ms. Johnson:

I write on behalf of the Nebraska Bankers Association (NBA) in response to the request for comments regarding the proposal to require "clear and conspicuous" standards for disclosures under regulations B, E, M, Z, and DD. The NBA is a trade association representing 263 of Nebraska's 265 commercial banks and eight of the 16 savings and loan institutions in the state of Nebraska.

The NBA would strongly urge the Federal Reserve to refrain from adopting the proposal. While promoted in the name of consistency and consumer protection, no evidence has been offered that the current disclosures are not satisfactory. While uniformity is preferred in most instances, in this case the price of "consistency" will be very expensive for banks which will have to purchase new forms and modify disclosures for each of these regulations.

In addition, the notion of providing "reasonably understandable" information in the disclosures will invite a new slew of lawsuits while regulators in the industry struggle to define terms such as "every day words," "legal terminology," "explanations that are imprecise," and "wide margins."

At the end of the day, we fear that the revised disclosures may actually be less helpful to consumers as they will lengthen the already complicated disclosures, making consumers less likely to review them in any detail. Banks may choose to omit additional information currently provided to consumers, such as information on the back of checking account and credit card account statements, in order to pare expenses if the new disclosures require additional pages and the expense associated therewith.

Expansion of the "clear and conspicuous" standard under Regulation P to the regulations proposed is not appropriate. While Regulation P requires generic disclosures that are not specific to any particular transaction or disclosure, the regulations to which this standard would apply under the proposal are different from Regulation P and not suited to this approach.

For the foregoing reasons, we would respectfully request that the Board dismiss its proposal at this time.

Sincerely,

A handwritten signature in cursive script that reads "George Beattie".

George Beattie
President
george.beattie@nebankers.org

/smi